

**COMPTROLLER OF THE TREASURY
DIVISION OF STATE AUDIT
DIVISION OF COUNTY AUDIT
DIVISION OF MUNICIPAL AUDIT
1961-1980**

RECORD GROUP 149

Processed by:

Carl Kenneth Fieth
Archival Technical Services
Completed 10/2/1991
Microfilmed

SCOPE AND CONTENT NOTE

Record Group 149, Comptroller of the Treasury, Division of State Audit, Division of County Audit and Division of Municipal Audit, contains approximately 106 cubic feet of materials and spans the years 1961-1978. The record group consists of the audits of city and county governments, school systems, and the audits of state agencies along with special audits of utility districts.

The Comptroller of Treasury, Division of State Audit annually audits the Tennessee Comprehensive Annual Financial Report, which encompasses all the departments, agencies and units of the State, including those such as colleges and universities, that do not participate in the State's centralized accounting system. To meet the requirements of the Single Audit Act of 1984 and the Office of Management and Budget Circular A-128, the Division builds upon the results of the financial audit to study internal controls used in administering financial assistance programs and to report on compliance with Federal and State laws and regulations. These internal controls include those in the computerized accounting and management information systems. The Division audits most development districts and human resource agencies, and selected non-profit agencies receiving grant funds from the Department of Human Services and the Job Training Partnership Act (JPTA) program. The Division contracts with the Department of Health and Environment, Bureau of Medicaid, to provide administrative support and to review financial information, establish rates, and perform the audits for the Medicaid program. Performance audits are conducted on a selected basis to assist the Joint Government Operations Committee of the General Assembly in carrying out its responsibilities under the Sunset Law. Investigations are made when determined appropriate.

The Division of County Audit is responsible for the annual audits of all 95 counties in the State. The division may conduct the audit or accept an audit prepared by an independent public accounting firm, providing the audit meets the minimum standards established by the Comptroller of the Treasury. Such audits are monitored in accordance with a five-year monitoring plan that is updated annually. The Division provides other services including assistance in resolving problems with financial administration and answering questions submitted daily on various local governmental matters. Technical assistance is provided in the design and installation of accounting systems, in the establishment of other accounting records, and in the preparation of annual operating budgets.

The Division of Municipal Audit ensures that municipalities, designated school systems funds, utility districts, mental health and governmental funded non-profit agencies are audited as required by State statute. Because the majority of these audits are performed by independent public accountants, the Division carries out its responsibilities by approving all audits and systematically reviewing all audit reports and selected audit working papers of the contractors for compliance with generally accepted government auditing standards, reporting requirements and State and Federal statutes. When necessary the Division personnel perform audits of local selected non-profit agencies and internal control review of certain school systems and utility district operations. The division investigates and issues reports on allegations of misconduct and fraud or waste in local government, often referring findings to the Attorney General or other agency for appropriate actions.

For further information concerning city, county and state audits, consult Record Groups 89, 90, 91 and 102.